The interregional trade from the end of nineteenth century to the beginning of the twentieth century in China

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Introduction

The world economy was in a boom after the Great Depression and at the same time world trade was growing as well. The average annual growth rate between 1870 and 1913 was 3.4%.[1] Especially, world trade from the late 1890s to 1913 enjoyed rapid growth in primary products. This reflected the progress of heavy and chemical industrialization in the western countries. On the other hand, the intra-regional trade in Asia was also growing and the average annual growth rate was about 5.5%.[2] This reflected the development of the modern cotton industry containing the spinning industry in Asia. Moreover the average annual growth rate

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[1] Angus. Maddison, *Contours of the World Economy 1–2030 AD: Essays in Macro-Economic History* (UK: Oxford University Press, 2007): 81.

[2] Kaoru. Sugihara, *Ajia-kan boeki no keisei to kozo [The formation and structure of intra-regional trade in Asia]* (Kyoto: Mineruva Shobo, 1996).

for export trade in China was 2.6%.[3] It is well-known that China's performance of the same period actually declined in a world where economic progress elsewhere was very substantial[4] and the lower growth rate seems to reflect the economic situation.

However, China is one of the largest countries in the world, the most populous country in the world, and possessed the huge market. Therefore, domestic trade was conducted out as if domestic trade was foreign trade in China. When we consider how foreign trade have an impact on the national economy in this case, we must take into account domestic trade in China. In other words, I need to pay attention to the change of the interregional trade in China.

The coastal trade in China from the middle of the nineteenth century to the beginning of the twentieth century has been often analyzed in detail.[5] It is well known that the coastal trade among treaty ports in China had expanded since the treaty port system began. Especially, Shanghai became the biggest ports and the biggest distribution center in China from the middle of the nineteenth century and the trade extended radially from Shanghai to not only the treaty ports in China but also the treaty ports in Asia such as Kobe and Nagasaki in Japan, and the development depended on the treaty port system.[6]

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[3] Angus. Maddison, *The world economy: A millennial perspective*（Paris: Development Centre of the Organisation for Economic Co-operation and Development, 2001）: 362.

[4] For example, see Maddison, *Contours of the World Economy*, 157.

[5] Michiaki. Miyata, *Chugoku no kaiko to enkai shijo: Chugoku kindai keizai shi ni kannsuru itishiten [Open port and market in coastal ports in China: A viewpoint regarding Chinese modern economic history]*（Tokyo: Tohoshoten, 2006）.

[6] Kazuko. Furuta, *Shanghai network to kindai Higashi Ajia [Shanghai network and modern East Asia]*（Tokyo: Tokyo daigaku shutupankai, 2000）.

In addition to this, foreigners and foreign merchants came to treaty ports such as Shanghai and their economic activities were progressing through the treaty port system. As a result, foreigners expanded their influence in China through the treaty port. For example, in each treaty port, foreign goods imported to China were introduced to Chinese consumer and the trade between Chinese and foreign merchants expanded. They shared the information about products, quality information, and price information directly and it was possible that to share the commercial practices. Consequently, it cause to facilitate transaction between Chinese and foreign merchants and the new market was formed by them in treaty port.

However, I cannot help but say that the interregional trade in China has not yet been fully analyzed. The Yangtze River was the main transport artery of China's interregional trade and Hankou in Hubei province served as a center of the interregional trade. The interregional trade had expanded since at least Qing dynasty. Rowe pointed out that Hankou made up a "national marketing system" and the expansion of the foreign trade in Hankou from the middle of the nineteenth century depended on the system.[7] Briefly, the interregional trade depended on the "national marketing system", not the treaty port system. Moreover, Dai also similarly pointed out that the market in the inland area expanded as the foreign trade in China expanded.[8] However, the previous researches focuses on the interregional trade before the 1880s. As described later, the change from the 1890s was more important for the local economy of the inland area even for Chinese economy. Due to this,

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[7] W. T. Rowe, *Hankow: Commerce and Society in a Chinese City, 1796–1889*（Stanford: Stanford University Press, 1984）: 60–61.

[8] Angang. Dai, *Fazhan yu luocha: Jindaizhonguodongxibu jingjifazhan jinchneg bijiaoyanjiu [Development and Gap: Comparative study of the process of development in Western China and Eastern China in modern China (1840–1949)]*（Shanghai, Fudan daxue chubanshe, 2006）: 322-343.

the interregional trade after the 1890 also must be clarified.

Moreover, while the system of the interregional trade was analyzed fully and the expansion of the interregional trade was mentioned by the previous researches, the volume of the interregional trade is uncertain. Surely, the scale of the interregional trade is partially estimated through Transit trade in Hankou,[9] but the data on Transit trade was insufficient to estimate the scale. Therefore, the major aim of this paper is to estimate the volume of the partial interregional trade in China, especially in the middle Yangtze valley region. In this paper, the interregional trade in China means the trade among the inland areas in China. For example, the trade between Hankou in Hubei province and Chongqing in Sichuan province or Changsha in Hunan province was one of the elements that the interregional trade in China consisted of.

Treaty port system had been introduced since five ports were opened and the number of the treaty ports in China increased not only in the coastal area but also, in the native area, in other words, in the Yangtze Valley. However, it appears that the degree of impact of the treaty port system on areas was different. In other words, there must have been a difference in the transition timing from existing system to treaty port system between coastal areas and inland areas. The other aim of this paper is to clarify the transition timing in the inland area.

Finally, I would like to point out the impact of the change of world market on Chinese economy by analyzing the interregional trade from these viewpoints. It is estimated that the share of exports in Chinese GDP was 0.7 per cent of GDP

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[9] Tomoko. Shiroyama（Sazanami）, “Jyukyuseikimatu Chugoku niokeru kaikojyo naichi shijo kankei［The relationship between open ports and inland markets in China at the end of nine tenth century］.” *Shakai keizai shigaku [Socio-Economic History Studies]* 57−5（1992）: 672−674.

in 1870, and 1.2 per cent in 1913.[10] Although it is sure that the share was increasing during the same period, it is difficult to say that an increase in China's foreign trade certainly contributed to economic growth in China. Eventually, the share of trade in Chinese GDP is from 2.4% to 8.8% within ten years from 2004 to 2013. However, the spillover induced by foreign trade must have had an impact on the various aspects in the Chinese economy. It appears that the interregional trade was one of them. Therefore, to estimate the scale of the interregional trade after the 1890s contributes to the further understanding the effects of foreign trade and at the same time the role of inland economy in economic growth.

1 Foreign trade and domestic trade from the 1890s to the 1910s

1.1 The change of foreign trade

It is well known that the flow of cotton goods from England and Asian countries expanded from the middle of the nineteenth century, especially from the 1880s in China and the main exports from China were tea. The trade between China and foreign countries expanded from *Hk.Tls.* 105,300,087 in 1864 to *Hk.Tls.* 1,005,723,851 in 1913.[11] On the other hand, statistically speaking, the domestic trade among treaty ports at coastal area also expanded.

The reason is simple. Only Guangdong had been opened for trading with foreign countries until four ports, including Guangdong, were opened after concluding the

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[10] Angus. Maddison, "China in the World Economy: 1300–2030." *International Journal of Business* 11–3（2006）: 246.

[11] China. Imperial Maritime Customs（CIMC）, *Returns of Trade at the Treaty Ports* 1872 China（Shanghai: Statistical Dept. of the Inspectorate General, 1873）: 5; CIMC, *Returns of Trade and Trade Reports* 1913 China（Shanghai: Statistical Dept. of the Inspectorate General, 1914）: 42.

Treaty of Nanjing in 1842. Moreover, more ports in coastal area were opened for trade after that. More importantly, in the case of trade among treaty ports at coastal area, a means of transportation switched from junk ships（sailing vessel）to steamships. Many junk ships had been sailing among ports in the coastal area not only in China but also in Asia and junk ship was the main transportation method until steamships transportation started. However, most of goods traded started to be transported by the steamship, not only in foreign trade but also in domestic trade, and steamships gradually took the place of the junk ships, since some foreign steam companies, such as Shanghai Steam Navigation Co, and China navigation Co, went into the shipping trade in China from the middle of the nineteenth century and The China Merchant's Steam Navigation Co. was established in China in 1872. In fact, although it was difficult to grasp the volume of the trade by junk ships, many merchandises had been traded by Chinese merchants and transported by many junk ships among coastal ports, even before five ports were opened. After foreign trade began not only in Guangdong but also in other ports, the foreign trade among treaty ports was controlled under maritime customs, and at the same time, domestic trade among coastal ports was also controlled under maritime customs. The key point is to being transported by steamships. In other words, the goods transported by steamships was controlled under maritime customs.[12] Conversely, as the goods transported by junk ships, not steamships were not controlled under maritime customs, even if the trade was conducted among coastal areas, maritime customs could not grasp the volume of the trade with some exceptions. In other words, maritime customs and steamships enabled anyone to see things to which anyone was blind and it is more accurate to say that the trade among treaty ports at coastal area became

[12] Hiao. Liang-lin, *China's Foreign Trade Statistics, 1864–1949*（Cambridge: Harvard University Press, 1974）: 8.

tangible rather than expanded after five ports were opened. This point might become more important later.

As for the relationship between foreign trade and domestic trade, the flow of foreign goods had an impact on the domestic trade. For example, with the influx of low priced imported goods such as cotton clothes made in Manchester, trade volume of some domestic goods that competed with imported goods decreased.[13] On the other hand, in some cases, an increase in imports for a foreign merchandise caused an increase in exports for a domestic merchandise.[14] Such a relationship was built between cotton goods and soybean cakes, cotton goods and wool and so on. Consequently, while naturally domestic trade was more or less influenced by foreign trade, it is pointed out that transportation by steamships could not change the condition of trading domestic goods among Chinese merchants until at least the 1880s and domestic merchandises maintained the volume of the trade.[15]

However, a change occurred in the foreign trade from the 1890s.[16] According to Rowe, the decades from 1890 to 1910 were a turning point for local commerce due to Chang Chih-tung's self-strengthening industrialization projects of the early 1890's and the development of foreign-capitalized industry after the Treaty of

[13] In fact, the cotton clothes made in England were alternatives to the high quality of silk fabric to reduce in China（Oyama, Masaaki. *Minshin shakai keizaishi kenkyu [Study of socio-economic history in the Ming and Qing dynasties]*（Tokyo: Tokyo daigaku shutupankai, 1992）: 435−531.

[14] Hajime. Kose, "Jyukyuseikimatu Chugoku kaikojyokan ryutu no kouzo: Eiko o chusinntosite［Circulation structure among treaty ports in China at the end of the nineteenth century: Focusing on Yingkou port］." *Shakai keizai shigaku [Socio-Economic History Studies]* 54−5（1989）: 651−656.

[15] Miyata, *Chugoku no kaiko to enkai shijo*: Chapter 2.

[16] Miyata also pointed out that from the 1890s, the expansion of foreign trade and steamships had the influence on domestic trade and relationships among treaty ports（Miyata, *Chugoku no kaiko to enkai shijo*: 88, 100）.

Shimonoseki.[17] However, these were not all. In addition to domestic changes, the changes of world market and world trade from the end of the nineteenth century greatly impacted on the domestic trade in China.[18] The progress of heavy and chemical industrialization in the western countries, especially the U.S.A and Germany led to the expansion of the demand of new raw materials, for example several kinds of vegetable oil, beans, and so on. These caused to urge merchants to transport raw materials from a hinterland to a port in China, especially Hankou in Hubei province.[19]

1.2 Interregional trade in Hankou from the end of the eighteenth century

Based on Big Canal that directly connected the central districts and the northern part of the country and the Yangtze valley that connected the eastern districts and the western districts, distribution system that covered the entire nation had been constructed since the middle of Qing dynasty. Hankou was the main port for water transport via the Yangtze River and the most important distribution center since the eighteenth century.[20] In other words, Hankou formed the hub of a gigantic drainage system extending far beyond these plains into the mountains and basins

17 Rowe, *Hankow*: 77.

18 Akinobu. Kuroda, *Chukateikoku no kozo to Sekaikeizai [Structure of the Chinese empire and the World Economy]* (Nagoya: Nagoyadaigaku Shuppankai, 1994): 241−242.

19 As for the change of trade structure in China after the 1890s, see Sun, Yuqin. *Zhongguo duiwai maoyishi [History of foreign trade in China]* (Beijing: Duiwaijingjimaoyidaxue chubanshe, 2004).

20 Mamoru. Kawakatu, "Shin Kenryuu shonen Unnan do no Choko yusou to toshi Kanko." In *Higashiajia niokeru seisan to ryutu no rekishi shakaigakuteki kenkyu [historical and sociological studies about production and distribution in East Asia]*, ed. Mamoru, Kawakatu (Fukuoka: Chugokusyoten, 1993): 406.

more than a thousand miles to the north, west, and south.[21]

Such a relationship caused to promote commerce with western neighborhood districts in Hubei province, the lower Yangtze region, the middle Yangtze region, the upper Yangtze region, and the Hsiang River valley and the shore of Dongting Lake in Hunan province. They were Hankou' regional trading partners. This also supported expansion of the flow of int rregional trade through Hankou. Mainly, Hankou had exported native cotton goods and imported principle products of the districts. Native cotton goods had been mainly manufactured in Jiangnan region at the lower Yangtze Valley since the Ming dynasty and they were imported to Hankou and exported from there to neighborhood districts. The technique to produce native cotton goods were conveyed to Hubei province and they also began to manufacture there since the beginning of the Qing dynasty.[22] Moreover, they were exported to neighborhood districts at the middle and upper Yangtze Valley.

The interregional trade had been steadily growing since eighteenth century. As for the trade relationship with the areas in the middle and upper Yangtze valley, their exports to Hankou included the special products of them.[23] Rice, tung oil, cigarette, sugar, salt, timber and so on were exported from Chongqing in Sichuan province, rice, coal, metals, hemp, sesame, hides, raw cotton, cotton clothes were exported from Yichang, Shashi, Laohekou and Xiangyang in Hubei province and rice, tea, oil, and raw cotton were exported from Yuezhou, Changsha, Changde, and Xiangtan in Hunan province. Moreover, Hankou served as the central market for a

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[21] Rowe, *Hankow*: 17.

[22] Susumu. Yamamoto, *Shindai shakai keizaishi [Socio economic History in the Qing dynasty]*（Tokyo: Soseisha, 2002）: 7; Susumu. Yamamoto, *Shindai no shijo kozo to keizaiseisaku [Market structure and economic policy in the Qing dynasty]*（Nagoya: Nagoyadaigakusyutupankai, 2002）: 40.

[23] Yamamoto, *Minshindai no shohin to koka*: 121.

wide range of geographic areas. For example, the merchandises produced in Yunnan province or Guizhou province were exported to Hankou via Chongqing in Sichuan province, and the merchandises produced in Shanxi province or Henan province were exported to Hankou via Laohekou which was located in the area along the Han River.

As for the trade relationship with the areas in the lower Yangtze valley, the merchandises exported from Hankou were rice, vegetable oil, hides, beans, porcelain produced in Hunan and Hubei province, timber, rice produced in Sichuan province, and mineral products produced in Yunnan province and Guizhou province. On the other hand, the commodities exported to Hankou were salt, cotton clothes, tea, marine products and so on.[24] Most of them were distributed from Hankou to the local areas. In other words, various Chinese goods already had large markets before the Westerners arrived. Rowe pointed out that many researchers agree the level of trade resumed its upward trend except the post-Taiping era.[25]

Figure 1 provides an overview of the interregional trade. Many native ships, which are called junk ships, sailed up and down not only bigger rivers such as the Yangtze River and Han River but also smaller rivers and creeks. Thanks to the interregional trade, Hankou was the biggest distribution center until five ports were opened and consequently this system contributed to the expansion of foreign trade in Hankou from the Yangtze River was opened.[26] In other words, the west

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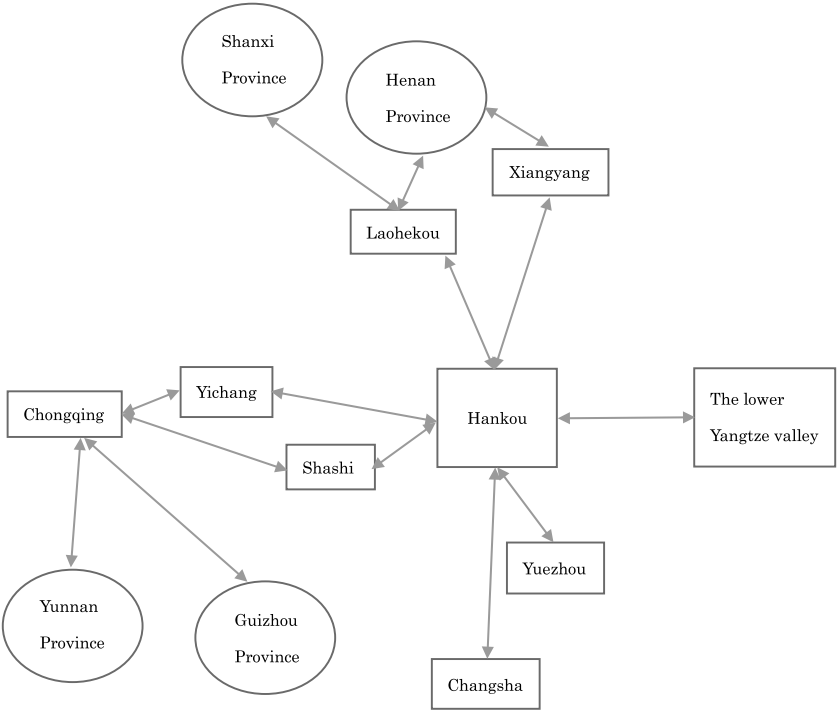
[24] Mamoru. Kawakatu, "Chugoku kinsei toshi kanko to "kanko soudan" [Kanko city and collection of stories about Kanko in the early modern China]." *Shien* 129 (1992): 87; Rowe, *Hankow*: 77.

[25] Rowe, *Hankow*: 60.

[26] As for the function of Hankou, see Fang. Ren, *Mingqing Changjiangzhongyou shizhenjingji yanjiu [Studies about fair market economy in the Ming and Qing dynasty]* (Wuhan: Wuhandaxuechubanshe, 2003): 317−334.

Figure 1



plugged into the existing system of trade at Hankou after the Westerners arrived[27] and they succeeded in expanding trade.

1.3 The trade in Hankou after the port was opened

The reason why Hankou sustained a remarkable commercial metropolis was the Yangtze River. The Yangtze River was opened to foreign steamship company in 1861 and at the same time Hankou was also opened. Immediately after that,

[27] Rowe, *Hankow*: 83.

the foreign steam companies began regular services among the treaty ports in the Yangtze River, especially between Shanghai and Hankou.[28] As a result, goods for foreign markets, which were collected to Hankou from the inland areas, went to Shanghai, and were there transshipped to their destination.[29] The expansion of transportation by steamships between Shanghai and Hankou led to the decline of the junk ships transportation between Shanghai and Hankou.[30]

The trade volume in Hankou stood at five times from 1875 to 1915, and the volume accounted for about 13−18% of total trade figure in China around the same time, and Hankou was the second biggest port after Shanghai until the end of the 1910s.

Table 1 shows the value of the main imports in Hankou. Although the main

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[28] Kyohei. Kubota, "Shanghai Steam Navigation Kaisha to China Navigation Kaisha [Shanghai Steam Navigation Co and China navigation Co]." *Kaijishi kenkyu [Studies about maritime history]* 23 (1974).

[29] As for the process of the expansion of the steamship transportation, see Hidemasa. Kokaze, *Teikokusyugika no Nihon kaiun [Japanese maritime transportation under imperialism]* (Tokyo: Yamakawashutupansha, 1995); Kunio. Katayama, *Kindai Nihon kaiun to Ajia [Modern Japanese maritime and Asia]* (Tokyo: Otyanomizushobo, 1996).

[30] Some trade reports in the 1880s mentioned about junk transportation between Hankou and Zhenjiang. For example, the trade report in Hankou in 1889 pointed out that "The junks are employed usually to bring salt up the river. and when they have discharged their cargo they are then chartered by foreigners, who report them to the Foreign Customs and load them for Chinkiang with sundries." (CIMC, *Returns of Trade and Trade Reports* 1889 Hankow (Shanghai: Statistical Dept. of the Inspectorate General, 1890): 85). It is sure that some goods were transported by junk until the 1880s, however, the trade report from 1890 did not mention about junk transportation between Hankou and Zhenjiang. It seems that the volume of the junk transportation gradually decreased from the 1890s and steamship transportation volume was increasing year after year.

Table 1 Import amount of the main import items in Hankou（Unit: 1,000,000 Haikwan tael）

Year	Cotton clothes	Cotton yarn	Kerosene oil	Sugar
1875−79	3.0	0.0	0.0	0.2
1880−84	4.1	0.3	0.1	0.2
1885−89	4.4	0.4	0.3	0.3
1890−94	3.5	1.0	0.5	0.5
1895−99	4.7	2.7	1.4	0.9
1900−04	7.3	7.0	2.2	0.9
1905−09	7.0	8.6	3.0	2.3
1910−14	9.1	5.9	3.5	2.9
1915−19	11.0	6.0	1.4	5.2

Source: CIMC, *Returns of Trade at the Treaty Ports* 1875−1881 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1876−1882）; CIMC, *Returns of Trade and Trade Reports* 1883−1919 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1884−1920）.
Note 1：Each amount of import is average in five year.
Note 2：Cotton clothes don't include cotton yarn.

import item was cotton cloth by the 1880s, the value of kerosene oil, sugar, cotton yarn imports also increased from the 1890s. These items were imported to Shanghai and then were re-exported to Hankou. Of course, manufactures such as cotton cloth was imported through the trade with England and at the same time the import of items produced in Asia such as cotton yarn, sugar, marine products（dried cuttlefish, dried tangle seaweed, dried abalone and so on）, sundries（a match, a soap, an umbrella and so on made in Osaka, Japan）and sugar made in Asia also expanded. This shows that Hankou was connected to world market and Asia market through Shanghai.

Table 2 shows the value of the main exports in Hankou. Tea was the main export in Hankou and the value of the tea export accounted for about 80% of total export trade in Hankou until the 1880s. After that, however, the export of Hankou tea had increased, while further increases were prominent in bean oil, sesame seed

Table 2 The value of the main exports in Hankou（Unit: 1,000,000 Haikwan tael）

Year	Tea	Agriculture products
1875−79	10.9	1.7（13.4%）
1880−84	9.3	1.7（15.6%）
1885−89	8.7	2.0（18.5%）
1890−94	9.1	2.4（20.9%）
1895−99	11.9	4.8（28.9%）
1900−04	10.3	12.8（55.4%）
1905−09	12.4	18.9（60.4%）
1910−14	14.6	26.6（64.6%）
1915−19	12.7	36.9（74.3%）

Source: CIMC, *Returns of Trade at the Treaty Ports* 1875−1881 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1876−1882）; CIMC, *Returns of Trade and Trade Reports* 1883−1919 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1884−1920）.
Note 1: The export value of agriculture products is the amount of the value of beans, sesame, tung oil, raw cotton.
Note 2: Each amount of import is average in five year.
Note 3: The numbers after the export volume in the column of Agriculture products is the percentage of the export volume of agriculture products in the total export volume in Hankou.

oil, tea oil, tung oil, raw cotton, ground nuts, gypsum, paper and so on from the beginning of the 1890s. The value of tea export dropped less than 50% and the value of the other items rose to more than 50%. They were mainly raw cotton, tung oil, sesame oil. This reflected the impact of the progress of heavy and chemical industrialization in World economy and the development of cotton industry in Asia on the trade in Hankou. In other words, the expansion of the market for the raw materials accelerated expansion of the trade in Hankou. Hankou and its hinterlands at the upper and middle Yangtze valley were raw material supply regions to world market and export of raw materials, such as vegetable oils, beans, wool, hides, and sesame encouraged import of cotton goods from Asian countries.[31]

[31] Kuroda, *Chukateikoku no kozo to Sekaikeizai*: 241−242.

As for destination country for raw materials, sesame was exported to Germany and Dutch, tung oil was exported to Germany and the U.S.A, and raw cotton was exported to Japan and Shanghai.[32] It is well known that these were countries and a district that were rapidly industrializing from the end of the nineteenth century. The import trade in primary products expanded rapidly from the period from 1901 to 1905 in Germany and from the period from 1896 to 1900 in the U.S.A. The trade amount in the period from 1891 to 1895 was about 2.22 times greater compared with that in the period from 1911 to 1913 in the U.S.A, and about 2.56 times in Germany.[33] Of course, as is well known, the reason is that Chemical industry, electrical industry, and automobile industry developed from the late nineteenth century in Germany and the overall industries developed in the U.S.A and the U.S.A established the superiority in high production. Japan was industrializing in the textile industry in the 1890s and especially, the spinning industry developed as exporting industry and import substitution and expansion of export for cotton yarn led to the expansion of demand for raw cotton. The demand for raw cotton was expanded due to the development of the spinning industry in China, especially Shanghai from the 1890s as well.

The use for each export was various in the overseas market. Raw cotton was a raw material for cotton yarn in the spinning industry und was used as wadding and so on. Sesame seed was used in making oil and oilcake and the oil was a raw material for soap in the chemical industry. Tung oil was used an ingredient

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[32] S. Imura, *Kanko Boeki Benran [Handbook for trade in Hankou]*（Hankou: Kanko keizai tushinsha, 1917）: 280, 283.

[33] Imports in primary products increased from 552,000,000 dollars to 1,226,000,000 dollars in Germany and Imports in primary products increased from 844,000,000 dollars to 2,163,000,000 dollars in U.S.A（League of Nations, *Industrialization and Foreign Trade*（New York: United Nations, 1948）: 166）.

of soap making, ink, and paint.[34] The characteristic common to the primary products was that they were conventionally consumed among Chinese. Briefly, in the domestic market, tung oil was used for mixing with home-made varnishes and for varnishing junks, the finer kinds of furniture and umbrellas on account of its peculiar astringent or drying properties. And then sesame seed was largely used by the natives as an article of food.[35] Naturally raw cotton was a raw material for native cloth. These show that the articles exported to overseas were daily commodities in China and the commencement of their exports to overseas caused them to switch from crops as daily commodities to raw materials for industrialization in China.

As a result, the price of them were increasing in the world market and the price were higher than before in the domestic market. For example, China's Imperial Maritime Customs（CIMC）in 1898 in Hankou reported, "The value of Sesamum Seed has gone up 100 per cent. ; Fungus, 93 per cent. ; Wood Oil（Tung oil）, 80 per cent. ; Cow Hides, 65 per cent. ; Nutgalls, 45 per cent, when compared with the prices five years ago. "[36]

Table 3 and 4 show the fluctuation of the price for sesame seed and tung oil in the Hankou market. Despite the limited number of samples, the price of sesame seed appears to have been on an upward trend. In the case of the price for tung oil, most of them were exported to the domestic market until the beginning of

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[34] CIMC, *Returns of Trade and Trade Reports* 1902 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1903）: 222; Toa Dobunkai ed. *Shina shobetsu zenshi Konan sho [Comprehensive Report on China Hunan]*（Tokyo: Toa Dobunkai. 1918）: 584−585.

[35] CIMC, *Returns of Trade and Trade Reports* 1898 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1899）: 135.

[36] CIMC, *Returns of Trade and Trade Reports* 1898 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1899）: 133.

Table 3 The fluctuation of the price for sesame seed

Year	Price per a picul (Haikwan taels)
1907	5.7
1908	5.9
1909	5.6
1910	6.7
1911	6.1
1912	6.4

Source: Toa Dobunkai Chosahensanbu, ed. Saikinshinaboeki［The trade in China］(Tokyo: Toa Dobunkai Chosahensanbu, 1916): 351.

Table 4 The fluctuation of the price for tung oil

Year	Price per a picul (Haikwan taels)
1885−1889	5.71
1890−1894	5.18
1895−1899	8.01
1900−1904	7.81
1905−1909	8.43
1910−1914	9.03

Source: CIMC, *Decennial Reports* 1912−1921 Appendix (Shanghai: The Inspector General of customs, 1924): 434-437.

the 1890s. Therefore, the trend partially shows the fluctuation of the price for tung oil exported to the domestic market. However, exports to overseas began to expand in the period from 1895 to 1899 and the price of tung oil exported to overseas was also on an upward trend until World War I broke out.

1.4 The interregional trade in Hankou via maritime customs

Expansion of the exports from Hankou to overseas market and increase in the price of the raw materials in the Hankou market impacted on the interregional trade in

the middle and upper Yangtze Valley. The reason is that the expansion of the demand and the soaring prices of them contributed to the increase of exports as raw materials in the Hankou market. Hankou and its hinterlands were raw material supply regions to world market.[37]

Moreover, in addition to Hankou-Shanghai regular service, some steamship companies began Hankou-Yichang, Hankou-Chongqing, Hankou-Shashi, Hankou-Yuezhou, and Hankou-Changsha regular service by 1904.[38] This also might contribute to the increase of the interregional trade.

Table 5 shows the trade volume in each treaty port. We cannot know the trade volume between treaty ports from the returns of trade in China. Therefore, it is difficult to grasp the overall situation between Hankou and five ports because if we calculate a total that includes everything, some parts of the trade would be

Table 5 The net trade volume in each port（Unit: 1,000,000 Haikwan tael）

	The ports west to Hankou				The ports south to Hankou			Total
	Chongqing	Yichang	Shashi	Total	Yuezhou	Changsha	Total	
1895−99	18.6	2.3	0.2	16.3−21.0				21.0
1900−04	26.4	2.6	1.5	22.3−30.5	1.5	2.8	4.3	26.6−34.8
1905−09	29.5	7.4	1.7	20.4−38.6	1.7	7.7	9.4	29.8−47.9
1910−14	31.2	6.8	4.0	20.4−42.1	4.7	20.2	25.0	45.4−67.0
1915−19	34.6	5.4	5.5	23.7−45.5	8.7	26.1	34.8	58.5−80.3

Source: CIMC, *Returns of Trade and Trade Reports* 1895−1919 Chungking, Yochow, Ichang, Shasi, Changsha（Shanghai: Statistical Dept. of the Inspectorate General, 1896−1920）.
Note: Each amount of trade is average in five year.

[37] Kuroda, *Chukateikoku no kozo to Sekaikeizai*: 241−242.

[38] Yichang was opened for trading in 1877, Chongqing was opened in 1891, Shashi was opened in1896, Yuezhou was opened in 1899, and Changsha was opened in 1904.

overlapped. For example, in the case of an export item exported from Hankou to Chongqing via Shashi, the item was first exported from Hankou to Shashi and re-exported from Shashi to Chongqing, and consequently the trade between Hankou and Shashi and between Hankou and Chongqing might contain the export of the item. However, from west to east, four ports of Chongqing, Yichang, Shashi, and Hankou were located along the Yangtze River and from south to north, three ports of Changsha, Yuezhou, and Hankou were located along Dongting Lake. It is safe to say that the trade carried on among each group. Therefore, we can estimate the volume of the western interregional trade and the southern interregional trade among treaty ports.

In fact, as the trade between Changsha and Yuezhou via maritime customs was not active and both ports maintained their trade areas independently each other,[39] it could be interpreted that amount of the trade between Yuezhou and Hankou and between Changsha and Hankou was the volume of the southern interregional trade. Table 5 shows that the volume increased from 4,300 Haikwan taels to 25,000 Haikwan taels in about fifteen years.[40] Briefly, the average annual growth rate of the southern interregional trade was about 12.5%.

On the other hand, in the case of the western interregional trade, we cannot exclude the volume of the trade among Chongqing, Yichang, and Shashi because the trade was so active that we cannot ignore. Therefore, if I combine the trade

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[39] For example, see Toa Dobunkai Chosahensanbu, ed. *Shinakaikojoshi 2 [Document about treaty ports in China, 2]* (Tokyo: Toa Dobunkai Chosahensanbu, 1922−24): 426−427; CIMC, *Decennial Reports* 1902−1911 Yochow (Shanghai: The Inspector General of customs, 1913): 329.

[40] 'Haikwan taels' was a unit of measurement, it was adopted as the unit of account for all ports and it was used until the 1920s (Liang-lin, *China's Foreign Trade Statistics*: 10).

in three ports, some parts of the trade are overlapped as mentioned earlier. Therefore, as a last-ditch measure, I adopt following two methods: One is the method of combining the volume of the trade in three ports as long as no duplication of trade occurred between treaty ports and the other is the method of subtracting from the volume of trade between Hankou and Chongqing of the both trade as long as the trade between Hankou and Chongqing contain both the trade between Hankou and Shashi and the trade between Hankou Yichang. In the former case, the trade increased from 21,026 to 42,085 in the twenty years and the average annual growth rate of the western interregional trade was about 7.4%. In the latter case, the trade increased from 16,134 to 20,337 in the twenty years and the average annual growth rate of the western interregional trade was about 1.3%. The rate seems to have been within the range of 1.3−7.4%.

Considering both interregional trades, one concluded that the total volume（= 45,400,000−67,000,000 Haikwan taels）in the period from 1909−1914 to was 2.16 or 3.19 times more than that（=21,000,000 Haikwan taels）in the period from 1895−1899 and the annual growth within about 15 years rate was within the range of 5.3−8.1%. In comparison with the rate of and World trade and the intra-regional trade in Asia, it appears that the rate of the interregional trade is higher than that of both, even if low rate is adopted. This may show that both trade had a more influence for the interregional trade. However, can I believe the estimate ?

1.5 Statistical technicality and the limitation

As it turn out, due to a statistical technicality, the number was insufficient to show the volume of the interregional trade. In order to clear the limitation of statistical technicality, at first, I would like to confirm the production areas for raw materials and then recognize the situation about the interregional trade.

The main export items in Hankou was sesame, raw cotton, tung oil and so on since the end of the 1890s. It appears that the major sesame-producing provinces was not only Hubei and Henan province but also Henan province. China's Imperial Maritime Customs in 1894 reported, "About six-tenths of this Seed is produced in Honan（＝Henan province）and four-tenths in Hupeh（Hubei province）, and it is grown on soil which is unfit for rice cultivation."[41] Sesame produced in Henan province was collected to Hankou via Han River. Moreover, the sesame produced in Henan province accounted for over 80% of the total sesame exports from Hankou in the beginning of the 1910s.[42] On the other hand, sesame produced in Hubei province and Hunan province was supposed to be collected to Yichang, Shashi, Yuezhou, and Changsha.

The major raw cotton producing provinces were the western areas in Hubei province and the coastal area of the Yangtze valley and Dongting Lake in Hunan province. It was collected to Hankou via Shashi, Changsha, or Yuezhou.

Though Hubei province was also one of the tung oil-producing districts, the major tung oil-producing provinces of China were Sichuan and Hunan provinces.[43] The oil produced there was distributed to Hankou and more than 75 percent of the quantity of tung oil exported from Hankou was brought from Sichuan and Hunan

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41 CIMC, *Returns of Trade and Trade Reports* 1894 Hankow（Shanghai: Statistical Dept. of the Inspectorate General, 1895）: 107.

42 Kobe koto shogyo gatuko. *Taisho hachinen kaki kaigairyoko chosa houkoku [Inspection and report in overseas trip during summer in 1919],*（Kobe: Kobe koto shogyo gatuko, 1920）: 126.

43 The crop from Hunan was expected to reach Hankou in December; the Sichuan crop would probably have arrived on the Hankou market around January（W. M. Taylor, *China wood oil*（Washington: Govern. Print. Office, 1923）: 14）.

provinces to Hankou.[44]

I would like to reconfirm the following relationship between Hankou and each ports, by using Table 6–8. According the Table 6–8, it is sure that exports from Hankou was in an expansion phase. Except the data in Hankou, however, the growth of the trade volume in each port was slower. For example, in spite of the fact that 75 percent of the quantity of tung oil exported from Hankou was produced in Hunan and Sichuan province, the exports from Changsha and Yuezhou was smaller than it should be. I wonder why the difference between real situation and statistical data occurred.

It is due to a statistical technicality. As described above, the goods transported

Table 6 The amount of sesame export from treaty ports（Unit: picul）

Port / Year	Hankou	Hubei province		Hunan province		Sichuan province
		Yichang	Shashi	Yuezhou	Changsha	Chongqing
1890–1894	49,231	0				0
1895–1899	126,286	0	0	0		0
1900–1904	539,888	0	5,722	0	0	0
1905–1909	1,229,917	0	398	52	0	0
1910–1914	1,617,579	5,355	6,538	2,454	4,322	0
1915–1919	793,385	3,364	4,429	0	90	0

Source: CIMC, *Returns of Trade and Trade Reports* 1890–1919 Hankou, Chungking, Yochow, Ichang, Shasi, Changsha（Shanghai: Statistical Dept. of the Inspectorate General, 1891–1920）.
Note: Each amount of trade is average in five year.

[44] 150,000 piculs（=about 9,000 ton）of tung oil were exported from Hankou to Zhenjiang until at least about 1915. There was a construction dock in Zhenjiang and tung oil was used for varnish for junk ships.（Naokichi. Yanagida, *Chinkojijyo [Zhenjiang affairs]*（Taiwan: Taiwan ginko soumubu chosaka, 1915）: 25）.

Table 7 The amount of raw cotton export from treaty ports（Unit: picul）

Port / Year	Hankou	Hubei province		Hunan province		Sichuan province
		Yichang	Shashi	Yuezhou	Changsha	Chongqing
1890−1894	15,159	0				0
1895−1899	49,411	84	0	0		0
1900−1904	186,135	2,947	3,522	0	0	0
1905−1909	142,412	2,347	9	0	0	0
1910−1914	208,680	1,637	13,239	834	130	0
1915−1919	791,941	11,558	52,212	9,649	5,908	0

Source: CIMC, *Returns of Trade and Trade Reports* 1890−1919 Hankou, Chungking, Yochow, Ichang, Shasi, Changsha（Shanghai: Statistical Dept. of the Inspectorate General, 1891−1920）.
Note: Each amount of trade is average in five year.

Table 8 The amount of tung oil export from treaty ports（Unit: picul）

Port / Year	Hankou	Hubei province		Hunan province		Sichuan province
		Yichang	Shashi	Yuezhou	Changsha	Chongqing
1890−1894	294,276	0				0
1895−1899	285,844	0	0	0		0
1900−1904	359,946	0	934	0	0	0
1905−1909	459,762	0	613	120	0	0
1910−1914	701,879	8,867	2,517	18,140	32,328	0
1915−1919	636,120	5,153	5,198	55,988	123	0

Source: CIMC, *Returns of Trade and Trade Reports* 1890−1919 Hankou, Chungking, Yochow, Ichang, Shasi, Changsha（Shanghai: Statistical Dept. of the Inspectorate General, 1891−1920）.
Note: Each amount of trade is average in five year.

by steamships was controlled under maritime customs. In the case of the coastal trade, as most of goods was transported by steamships, maritime customs could grasp the volume of the trade among treaty ports accurately. On the other hand, however, junk ships remained transportation among the treaty ports in the middle

and upper Yangtze valley even in the 1910s. The reason is that there was insufficient water in the rivers to admit of steamships running in winter. Especially, Han River was not a navigable channel for the steamship. Therefore, steamships could not compete profitably with junk ships and consequently maritime customs could not grasp the volume of the trade among treaty ports in the middle and upper Yangtze River accurately.

2 The situation and the volume of the interregional trade in the middle and upper Yangtze Valley

2.1 The situation of the trade

As to the statistics of maritime customs, each report in ports pointed out the following issues:

Changsha

"Among exports, the important staples—tea, wood oil (tung oil), and beans—appeared in our returns in negligible quantities."[45]

Shashi

"Most, however, of the increases and decreases merely record fluctuations in the trade passing through the Maritime Customs, and not necessarily an increase or decrease in the total trade—steamer and junk-borne—of the port."[46]

Yichang

"The trade in hides and skins continues to flourish; and a few new commodities

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45 CIMC, *Decennial Reports* 1904–1911 Changsha (Shanghai: The Inspector General of customs, 1913): 303.

46 CIMC, *Decennial Reports* 1902–1911 Shasi (Shanghai: The Inspector General of customs, 1913): 287.

are commencing to appear, such as wood oil（tung oil）, seed-cake, sesamum seed, and rape seed. The figures of the Native Customs down-river junk trade show a considerable amount of cargo passing down from Szechwan which does not come under the control of the Maritime Customs at this port, and is not included in the value of the trade of the port. ”[47]

Yuezhou

“ Therefore the raison d'etre of the Yochow（＝Yuezhou）Customs can now only be found in the export of rice by steamers. …Rice and tea form the two important articles of export from this district—the former to Shanghai, and the latter to Hankow for re-export to foreign countries and other Chinese ports. However, nearly all of the tea shipments are made by junks, and only small quantities appear in our returns since 1909. ”[48]

In addition to the above case of exports from Hankou, as to imports to Hankou, some report pointed out the following issues: “ Formerly, one of the most important items among the imports—kerosene oil—arrived exclusively by junk until 1910. ”; “ Steamers will not carry such dangerous cargo（＝kerosene oil）, hence its non-appearance in the statistics of this port. The same is the case with Matches—on a smaller scale. Both these articles come up from Hankow by Native boat. ”[49]

The above reports shows that there were not many exports and imports controlled

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47 CIMC, *Returns of Trade and Trade Reports* 1913 Ichang（Shanghai: Statistical Dept. of the Inspectorate General, 1914）: 458.

48 CIMC, *Decennial Reports* 1902–1911 Yochow（Shanghai: The Inspector General of customs, 1913）: 327.

49 CIMC, *Decennial Reports* 1904–1911 Changsha（Shanghai: The Inspector General of customs, 1913）: 303; CIMC, *Decennial Reports* 1882–1891 Ichang（Shanghai: The Inspector General of customs, 1893）: 132.

under maritime customs and in the case of exports from Hankou, many of them were transported to Hankou by junk ships, not steamships.

As for the interregional trade before the 1880s, Rowe pointed out that "As Hankou's links with the regional and interregional trade were reestablished, it once again tended to transcend its local surroundings, and the western trade simply accelerated that trend."[50] The same might be true of the interregional trade after the 1890s as well. In other words, national marketing system, which was pointed out by Rowe, rather than treaty port system responded to the change of world market and contributed to the expansion of exports in Hankou.

Consequently, we could know that maritime custom did not grasp the volume of interregional trade in the middle and upper Yangtze valley. How should I deal with the estimate of the volume of the trade?

2.2 Junk ships and the real volume of the interregional trade

At first, I want to grasp the entire structure of the trade using Table 9. Table 9 shows some associations of a group of common local origin, which is called pang, and the major commodities traded in Hankou. The merchants, which were from various areas, came to Hankou and merchants formed a *pang*, which was based on common local origin, and traded between Hankou and each hometown, or other markets. In Table 9, nine *pangs* might be divided into two groups. First group is from Hunan, Sichuan, Shanxi, Shanxi, Yunnan, Guizhou, Henan, second group is from Ningbo, Shandong, Guangdong, Jianxi and Fujian. Former group is located at inland areas, latter group in located at the coastal area. The each role of two groups in the Hankou market was clear. Briefly, items such as tung

[50] Rowe, *Hankow*: 88.

Table 9 The major commodities traded in Hankou

Pang	To Hankou	From Hankou	Transaction amount (1,000,000tael)
Hunan	tea, rice, tung oil, medicinal herbs, lacquer, hemp, foodstuffs, paper, native manufactures	cotton clothes, cotton yarn, kerosene oil, sugar	26～30
Sichuan	medicinal herbs, tung oil, white wax, hemp, lacquer, pepper	cotton clothes, cotton yarn, foreign and native manufactures	14～15
Shanxi	lacquer, hides, wool, animals oil	cotton clothes, cotton yarn, foreign and native manufactures	7～8
Yunnan and Guizhou	cloud ear mushroom, lacquer, tung oil, hemp oil, white wax, timber	cotton clothes, cotton yarn, foreign and native manufactures	10～
Henan	Soybean, pepper, sesame, wheat, medicinal herbs, tung oil, animal oils, vegetable oils	cotton clothes, cotton yarn, foreign and native manufactures	15～16
Ningbo	cotton clothes, cotton yarn, marine products	Soybean, tung oil, raw cotton, rice	35～40
Shangdong	cotton clothes, cotton yarn, native manufactures	rice, tea	7～8
Guangdong	native manufactures, sugar	native manufactures, medicinal herbs, soybean, vegetable oils	35～36
Jiangxi and Fujian	Tea, lacquer, porcelain, hemp, medicinal herbs, fruit	rice, oils, umbrella, cigarette	10

Source: Zhang, Shoubo. ed. *Zuijin Hankou shangye yiban [The portion about recent commerce in Hankou]*（Hankou: Shangwuyinshuguan, 1911）: 21−25（Chapter 1）

oil, sesame, vegetable oils, hides, wax were imported to Hankou and items such as cotton yarn, cotton clothes were exported form Hankou by former group. Conversely, items such as cotton yarn, cotton clothes were imported to Hankou and items such as tung oil, sesame, vegetable oils, hides, wax were exported form Hankou

by latter group, especially, Ningbo *pang* and Shandong *pang.*[51]

They were the major participants in the interregional trade and when they transported the products between the Hankou market and other markets, they needed to pass through native customs or Lijinju at many points and had to pay a tax like a custom there.[52] Although native customs and Lijinju left behind few valuable historical record, some maritime customs sometimes mentioned the situation about native customs. Therefore, we can make use of the materials and partially estimate the volume of the intraregional trade.

I want to present some evidences to indicate that the intraregional trade was active. At first, the number of junk ships sailing in the middle and upper Yangtze River might be one of the important evidences. As for the junk ships in Hankou in the 1900s, a source pointed out that there were no less than 24,000 to 25,000 junk ships at the southern coast of Hanyang.[53]

There are some data about the number of junk ships and the volume of transport between Hankou and Chongqing. We will look chronologically at the situation of junk ships transportation. As for the junk ships transportation about 1880

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[51] Of course, in addition to the trade by Chinese merchants, foreigner also traded between Hankou and each market in inland areas. For example, sesame was traded between Hankou and producing areas by Mitui bussan and the transaction amount in 1911 was 703,394 Haikwan taels and the figure accounted for about 7% of export amount of sesame in Hankou, which was 9,559,963 Haikwan taels (Mitui bussan gomei kaisha, *Mitui bussan jigyohokokusyo 1897−1944 1911 [Mitui bussan business report 1897−1944 1911]* (Tokyo: Maruzen, 2007)). The transaction amount in 1911 was converted at a rate of 1.32 yen per Haikwan tael (CIMC, *Decennial Reports* 1902−1911 (Shanghai: The Inspector General of customs, 1913): note).

[52] Lijinju was like customs and Lijin was a kind of a custom duty.

[53] Zhang, Shoubo. *Zuijin Hankou gongshangyeyiban [A part of recent commerce and industry in Hankou]* (Hankou: Shangwuyinshuguan, 1911): 20−21 (Chapter 1).

when steamships transportation started, a source pointed out that 7,000 of junk ships of 90（1,500 piculs）to 210（3,500 piculs）tons reshipped the cargo in Shashi and Yichang to transport goods to Sichuan province. Many of the junk ships came from Hankou via the Yangtze River.[54] Moreover, 6,000 of junk ships sailed from Sichuan province to Yichang and 7,000 junk ships sailed from Shashi to Yichang.[55]

In the 1880s, it is pointed out that " The number of junks trading between Hankow, Ichang, and Chungking is said to be about 2,500, and the annual gross value of the trade is estimated at *Tls* 20,000,000. "[56]

In the 1890s, it is pointed out that " The entries and clearances of chartered junks with cargo plying between Ichang and Chungking, including a few through junks from Hankow, were 2,166, as against 2,318 in 1895 and 2,086 in 1894, with a carrying capacity respectively of 60,150 tons, 64,099 tons, and 57,678 tons. The estimated total tonnage of all junks, chartered and Likin, plying between Ichang and up river was under 310,000 tons in 1896 and over 380,000 tons in 1895. Having almost a monopoly of the carrying of Foreign Imports to Chungking, chartered junks represent some 30 per cent. of the tonnage up river, but only some 10 per cent. of the down-river junks are chartered. "[57] ' Chartered junks' were junk ships employed by foreigners and they were controlled under maritime customs.

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54 Great Britain, *Commercial reports from Her Majesty's consuls in China*（London: Printed by Harrison & Sons, 1878−1881）: 41.

55 Great Britain, *Commercial reports from Her Majesty's consuls in China*（London: Printed by Harrison & Sons, 1878−1881）: 47.

56 CIMC, *Decennial Reports* 1882−1891 Ichang（Shanghai: The Inspector General of customs, 1893）: 152.

57 CIMC, *Returns of Trade and Trade Reports* 1896 Ichang（Shanghai: Statistical Dept. of the Inspectorate General, 1897）: 90.

Except Chartered junks, the following material might show that the number of junk ships between Yichang and Chongqing was about 10,000 and the volume of transportation was about 300,000 tons.

Table 10 and 11 shows the number and the transport volume of junk ships between Chongqing, Yichang, and Hankou. The number of junk ships between Chongqing and Yichang was more than about 16,000 on average and the transport volume between Chongqing and Yichang was 180,000 tons to 320,000 tons. On the other hand, the number of junk ships between Yichang and Hankou was about 17,000

Table 10 The number and the transport volume of junk ships between Chongqing and Yichang

Year	From Yichang		To Yichang		The amount	
	Number of ship	Transport volume (t)	Number of ship	Transport volume (t)	Number of ship	Transport volume (t)
1903	4,222	84,440	8,139	162,780	12,631	247,220
1904	9,423	157,546	11,013	165,223	20,436	322,769
1905	n.a.	n.a.	n.a.	n.a.	17,652	226,544
1906	n.a.	n.a.	n.a.	n.a.	13,818	184,245

Source: CIMC, *Returns of Trade and Trade Reports* 1903–1906 Ichang (Shanghai: Statistical Dept. of the Inspectorate General, 1904–1907).

Table 11 The number and the transport volume of junk ships between Hankou and Yichang

Year	To Yichang		From Yichang		The amount	
	Number of ship	Transport volume (t)	Number of ship	Transport volume (t)	Number of ship	Transport volume (t)
1903	7,532	150,640	5,911	118,220	13,443	268,860
1904	9,730	119,772	8,486	125,166	18,216	244,938
1905	n.a.	n.a.	n.a.	n.a.	19,011	264,729
1906	n.a.	n.a.	n.a.	n.a.	16,404	250,443

Source: CIMC, *Returns of Trade and Trade Reports* 1903–1906 Ichang (Shanghai: Statistical Dept. of the Inspectorate General, 1904–1907).

on average and the transport volume between Yichang and Hankou was about 250,000 tons. Briefly, the number of junk ships in the middle of the 1900s was more than that of about 1880 and consequently transport volume also might be increasing.

Shashi was an important distribution center at the western Hubei province and Shashi was connected with Hankou through the Yangtze River and Bianhe（Bian canal）. Table 12 shows the number of junk ships which entered into Shashi and left from Hankou in 1899. The number of junk ships between Shashi and Hankou was 878 and it was not as much as I was thinking.[58] However, in the first decade of twentieth century, a source pointed out that "In years when the crops were

Table 12 The number of junks ships sailing in Shashi in 1899

River to sail	Registration of junk ships	To Shashi	From Shashi	The amount
Yangtze	Sichuan	961	2,443	3,404
	Hunan	1,792	2,790	4,582
Bian canal	Hankou	312	566	878
	Others	2,062	3,273	5,335
The amount		5,127	9,072	14,199

Source: "Sashi sanjyuninnen boeki nenpo［Annual report in Shashi in 1899］." Gaimusho Tsushokyoku, ed. *Tsusho isan [Trade report]* 197（1901）: 37.
Note: Others included some cities such as Yuekou, Xinkou, Shayong, and Qingcheng, which were connected to Shashi through Bian Canal.

[58] The reason is water shortage in the river during summer and increasing of underwater sludge sedimented on the bottom of the river（"Sashi sanjyuninen boeki nenpo［Trade report in Shashi in 1899］." Gaimusho Tsushokyoku, ed., *Tsusho isan [Trade report]* 197（1899）: 37. As a result the steamships transportation was increasing temporarily and the trade under maritime customs was also increasing temporarily（"Sashi daiitiki boeki［Trade in Shashi in the first period］." Gaimusho Tsushokyoku, ed., *Tsusho isan [Trade report]* 198（1900）: 16.

good and exchange was favourable, the value of the trade has naturally risen considerably; but there is not much sign of large and steady growth in the quantity of goods passing through the Maritime Customs. According to all accounts, the trade of the town and neighbourhood has grown considerably during the decade; but the steamer-carried cargo has not increased proportionately."[59] Moreover, about 1910, a source pointed out that "Entranccs and clearances at the Native Customs—26,695 junks, of a combined capacity of 1,991,810 piculs (119,508 tons)—brought in dues to the equivalent of *Hk.Tls.* 13,960, as compared with *Hk.Tls.* 14,118 collected during 1909 from 26,907 junks, of 1,894,840 (113,690 tons) piculs burden."[60] Briefly, the number of junk ships sailing in Shashi was increasing and transport volume of about 1910 was about third more than that of about 1870. Even in the 1910s, as it is pointed out that "Merchants agree that the general commerce of the port seven-tenths of which is still carried by junk, has increased yearly since the Revolution",[61] the number of junk ships sailing in Shashi was increasing.

As for the junk ships between Hankou and Hunan province, some sources pointed out that "I have been permitted access to records, discontinued in 1894, which show that in that year 25,620 junks passed Yochow upwards into Hunan."[62]; "It is a well-watered country, highly cultivated in Rice, Cotton, Indigo, Sesamum,

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59 CIMC, *Decennial Reports* 1902−1911 Shasi (Shanghai: The Inspector General of customs, 1913): 287.

60 CIMC, *Returns of Trade and Trade Reports* 1910 Shasi (Shanghai: Statistical Dept. of the Inspectorate General, 1911): 252.

61 CIMC, *Returns of Trade and Trade Reports* 1914 Shasi (Shanghai: Statistical Dept. of the Inspectorate General, 1915): 419.

62 CIMC, *Returns of Trade and Trade Reports* 1899 Yochow (Shanghai: Statistical Dept. of the Inspectorate General, 1900): 155.

etc., and with few cities and none of any importance; it is intersected by water routes navigable in the summer, and its products find their outlet directly into the Yangtze, not through the gateway of Yochow.”[63]; “ With the items given above we have an Export trade, outward from Hunan, worth at least *Tls.* 30,000,000.”[64] This trade volume（*Tls.* 30,000,000）contains not only the trade volume between Hankou and Hunan province but also the trade volume between Hunan province and other markets. However, as a source pointed out that “ Some 15,000 junks are engaged in the carrying trade of the province, plying—90 per cent. of them—between inland places in Hunan and Hankow.”[65], most of the trade volume（*Tls.* 30,000,000）, in other words *Tls.* about 27,000,000, seemed be the volume between Hankou and Hunan province. As *Tls.* 1 was 1,095 cash（400,000 cash / *Tls.* 365）about 1900,[66] and estimate the exchange rate between *Tls.* 1 and *Hk.Tls.* 1, assuming that *Hk.Tls.* 1 was about 1300 cash,[67] *Tls.*118＝*Hk.Tls.* 100. So, *Tls.* about 27,000,000 must have been *Hk.Tls.* 22,680,000.

No steamship companies started to sail goods in Han River, which Hankou was

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63 CIMC, *Returns of Trade and Trade Reports* 1899 Yochow（Shanghai: Statistical Dept. of the Inspectorate General, 1900）: 153.

64 CIMC, *Returns of Trade and Trade Reports* 1901 Yochow（Shanghai: Statistical Dept. of the Inspectorate General, 1902）: 143.

65 CIMC, *Returns of Trade and Trade Reports* 1901 Yochow（Shanghai: Statistical Dept. of the Inspectorate General, 1902）: 143.

66 CIMC, *Decennial Reports* 1882−1891 Yochow（Shanghai: The Inspector General of customs, 1893）: 277.

67 I have no information about the exchange rate between *Hk.Tls.* 1 and 1 cash in Yuezhow about 1900. Therefore, I used the rate（*Hk.Tls.* 1＝1 cash）in Shashi and in Yichang（CIMC, *Decennial Reports* 1896−1901 Shashi（Shanghai: The Inspector General of customs, 1904）: 245; CIMC, *Decennial Reports* 1892−1901 Yichang（Shanghai: The Inspector General of customs, 1904）: 187）.

connected with Henan province and Shanxi province through, at least until the middle of the 1910s and there were about 15,000 junk ships there in the 1910s.[68]

Naturally, I do not examine the whole junk ships in the middle and upper Yangtze River. However, some examples might show an increasing trend about the number of junk ships and the transport volume even in the 1910s. At last, the trade volume in the interregional trade will be covered in detail.

As described above, the trade volume between Hankou, Yichang, and Chongqing was about *Tls.* 20,000,000 in the 1880s.[69] "Since the opening of the port the fixed rate of exchange between the Yichang (tael) and the Haikwan tael has been Yichang *Tls.* 109.65＝*Hk.Tls.* 100."[70] So, *Tls.* 20,000,000 must have been *Hk.Tls.* 18,239,000. Maritime customs wrote in 1903 that "The total value of the downwards trade which does not come within the cognizance of the Foreign Customs may be put down at not less than 20 million taels, mainly Szechwan produce."[71] In 1903, *Hk.Tls.* 1 was 1,175 cash on average in Yichang, *Tls.* 1 was 1,050 cash.[72] Therefore, the rate of exchange between the tael and the Haikwan tael was *Tls.*

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[68] Imura, *Kanko Boeki Benran*: 40. As for, the role of Han River in the Hankou market, see Cuirong. Liu, *Trade on the Han river and its impact on economic development, c. 1800–1911* (Nankang, Taipei, Taiwan; Republic of China: Institute of Economics, Academia Sinica, 1980).

[69] CIMC, *Decennial Reports* 1882–1891 Ichang (Shanghai: The Inspector General of customs, 1893): 152.

[70] CIMC, *Decennial Reports* 1882–1891 Ichang (Shanghai: The Inspector General of customs, 1893): 141.

[71] CIMC, *Returns of Trade and Trade Reports* 1903 Ichang (Shanghai: Statistical Dept. of the Inspectorate General, 1904): 180.

[72] I have no information about the exchange rate between *Hk.Tls.* 1 and *Tls.* 1. in Yichang in 1903. Due to this, I used the exchange rate between *Hk.Tls.* 1 and *Tls.* 1.in Hankou in 1903 (CIMC, *Decennial Reports* 1902–1911 Hankou (Shanghai: The Inspector General of customs, 1913): 350).

111.9＝*Hk.Tls.* 100. and consequently *Tls.* 20,000,000 must have been *Hk.Tls.* 17,872,000.[73] This shows that the trade volume between Hankou and Yichang about 1903 was as much as that between Hankou, Yichang, and Chongqing in the 1880s.

Table 13 shows the main trade items exported from Yichang to Chongqing via Yichang native customs. The principal articles of the upwards trade were collected from Hankou or Shashi to Yichang and re-exported to Chongqing. Except rice, a comparison with the beginning of the first decade of twentieth century and the middle 1910s reveals that the export amount of items as a whole increased. The bulk of raw cotton and cotton cloth was through shipped to Szechwan and rice

Table 13 The main trade items exported from Yichang to Chongqing via Yichang native customs

Year	Raw cotton (picul)	Native cotton clothes (picul)	Rice (picul)	Kerosene oil (gallon)
1903	250,000	32,000	141,000	703,240
1904	255,000	41,869	200,000	n.a.
1905	259,004	9,932	308,954	1,138,590
1906	276,334	25,860	106,472	1,247,870
1907	162,851	46,188	26,320	1,573,640
1908	179,907	41,203	56,740	1,625,300
1909	181,046	39,949	145,916	1,676,460
1910	105,369	31,102	55,704	1,554,680
1911	78,755	30,714	137,577	3,580,530
1912	325,253	121,535	31,788	1,139,030
1913	363,720	102,768	18,140	2,575,540
1914	482,332	86,810	32,674	1,120,750
1915	406,488	76,467	50,560	1,673,710

Source: CIMC, *Returns of Trade and Trade Reports* 1903−1915 Ichang（Shanghai: Statistical Dept. of the Inspectorate General, 1904−1916）.

[73] CIMC, *Returns of Trade and Trade Reports* 1903 Ichang（Shanghai: Statistical Dept. of the Inspectorate General, 1904）: 177.

and kerosene oil was mainly locally consumed.[74]

Table 14 shows the main trade items exported from Yichang to Hankou via Yichang native customs. The principal articles of the upwards trade were collected from Chongqing to Yichang and re-exported to Hankou. Salt and sugar consumed locally was stable and paper and coal exported to overseas was increasing. Apart from them, there were tung oil, hemp, tea, fruit, cigarette and charcoal and especially, the amount of tung oil exported from Chongqing to Hankou was 152,907 piculs in 1913, 230,959 piculs in 1914, and 187,890 piculs in 1915.[75] Of course, these

Table 14 The main trade items exported from Yichang to Hankou via Yichang native customs

Year	Salt (picul)	Sugar (picul)	Paper (picul)	Coal (picul)	Hides (picul)	White wax (picul)
1903	900,000	245,000	45,000	n.a.	n.a.	n.a.
1904	995,399	192,031	45,000	n.a.	n.a.	4,847
1905	897,493	180,657	n.a.	n.a.	13,105	n.a.
1906	967,404	142,123	n.a.	97,739	12,682	n.a.
1907	815,092	172,382	35,707	130,917	9,365	5,267
1908	954,431	164,059	38,279	141,435	11,184	2,436
1909	921,779	230,105	46,104	96,183	17,973	2,373
1910	644,640	179,170	149,525	63,566	22,016	2,026
1911	688,513	176,452	383,468	36,733	29,901	2,296
1912	806,336	169,998	311,060	99,022	17,499	1,378
1913	658,713	140,503	350,550	170,978	18,038	1,319
1914	871,609	180,396	341,160	217,500	16,514	1,321
1915	933,689	242,690	340,929	218,433	11,996	1,258

Source: CIMC, *Returns of Trade and Trade Reports* 1903–1915 Ichang (Shanghai: Statistical Dept. of the Inspectorate General, 1904–1916).

[74] CIMC, *Returns of Trade and Trade Reports* 1903 Ichang (Shanghai: Statistical Dept. of the Inspectorate General, 1904): 180.

[75] CIMC, *Returns of Trade and Trade Reports* 1915 Ichang (Shanghai: Statistical Dept. of the Inspectorate General, 1916): 453.

do not appear on the data under maritime customs.

It appears that the trade volume between Hankou and Chongqing increased from the 1880s to at least the first decade on twentieth. This corresponds with the trend for the number of junk ships sailing between Hankou and Chongqing and consequently this trend seems to reflect the change for the volume of interregional trade in the middle and upper Yangtze valley.

Of course, it is natural that the trade between Hankou and Hunan province was also important for the interregional trade. However, the historical materials about trade between Hankou and Hunan province is not more abundant than that of the trade between Hankou and Chongqing. Therefore, it is difficult to get a full picture of the trade and preliminary consideration are given to some extent in the later sections.

As for Yuezhou, which is located at the crossing between the Yangtze River and Dongting Lake and was one of the main distribution center in Hunan province, it is described as follows: "Its（Yuezhou）principal articles of export are Rice, Timber, Native Opium, Hides, Nutgalls, Hemp, Wood Oil（tung oil）, and Fire-crackers, shipped mostly to Hankow by Native junks."[76]; As for rice, "The quantity available for export in an average year is said to be 1,000,000 piculs, the value of which may be put at *Tls.* 2,000,000."[77]

Moreover, a source in 1907 pointed out that "rice was brought down the Siang River by junk for export to Hankow. 48,000 piculs were transhipped to steamers, and, according to the figures kindly supplied by the weiyilan in charge of the

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[76] CIMC, *Returns of Trade and Trade Reports* 1905 Yochow（Shanghai: Statistical Dept. of the Inspectorate General, 1906）: 135.

[77] CIMC, *Returns of Trade and Trade Reports* 1899 Yochow（Shanghai: Statistical Dept. of the Inspectorate General, 1900）: 155.

Rice Dues Bureau, more than 1,000,000 piculs were exported by native craft before the end of the Chinese year."[78] This shows at least rice trade between Yuezhou and Hankou was not decreasing and the transportation by junk ships was active as well after the port was opened in 1899.

Conclusion

At last, I would like to estimate the volume of interregional trade and the annual rate. The number of junks ships between Sichuan and Yichang was 13,000 in about 1880, 10,000 in the 1890s, and 12,000 to 20,000 in 1903 to 1906. As described above, the trade volume between Hankou, Yichang, and Chongqing in the 1880s was *Hk.Tls.* 18,239,000 and the trade volume between Hankou and Yichang in 1903 was *Hk.Tls.* 17,872,000. When I consider that the average number of junk ships sailing between Hankou and Yichang from 1903 to 1906 was 17,000 on average, which was much the same as that of junk ships sailing between Chongqing and Yichang from 1903 to 1906, it seems that the trade volume between Chongqing and Yichang was also about *Hk.Tls.* 17,872,000. Briefly, the trade volume using junk ships between Chongqing and Hankou was estimated as about *Tls.* 35,744,000 about 1905. As described above, the average volume of the interregional trade from Hankou to Chongqing at the first decade of twentieth century under recognition of maritime customs was from 21,344,500 to 34,563,000. As a result, the volume of the western interregional trade increased from *Hk.Tls.* 18,239,000 to 56,128,000 or 70,307,000 within 20 years from the 1880 to the first decade of twentieth century and consequently the average annual growth rate

[78] CIMC, *Returns of Trade and Trade Reports* 1907 Yochow（Shanghai: Statistical Dept. of the Inspectorate General, 1908）: 185.

seems to be between 5.85% and 6.95%.

On the other hand, the volume of the southern interregional trade using junk ships in about 1900 was *Hk.Tls.* 22,680,000. However, there is little information about the southern interregional trade from the twentieth century. Given that the trade volume under maritime customs in the period from 1910−1914 was *Hk.Tls.* 24,940,000, I might be able to ignore the volume. Therefore, assuming that the volume of the southern interregional trade using junk ships was fixed until the 1910s, the volume of the southern interregional trade increased within about ten years from *Hk.Tls.* 22,680,000 about 1900 to *Hk.Tls.* 47,620,000 in the period from 1910−1914. The average annual growth rate seems to be at least 7.5%.

These can be summarized as follows: at first, changes in the number of the junk ships shows that the steamships could not drive out junk ships and at the same time many foreign participants in the Hankou market had to continue to depend on the "national marketing system" even in the beginning of the 1910s. Secondly, the average growth rate of the interregional trade in the middle Yangtze Valley was higher than that of World trade and the intra-regional trade in Asia just before World War I. This shows that the trade had grown rapidly.

In addition to these, not only the treaty port system but also national marketing system leads to the expansion of the interregional trade. When limited to the raw materials exported from Hankou to overseas market, as shown in Table 6, 7, 8, it can be said that national marketing system contributed to the trade.

These shows that while the expansion of the world market contributed to the expansion of the interregional trade, Chinese and foreign merchants had lost the chance to share market institution until the 1910s because foreign merchants depended on the existing system in order to acquire the merchandises in the inland areas. Therefore, it might have been difficult for Chinese in the inland areas and foreign

merchants to share information needed for commercial transaction, such as business practice and quality information. As shown in Table 6, 7, 8, however, it is obvious that treaty port system gradually began to take the place for the existing system even in the inland areas. As a result, this might have led to the various problems in the Chinese market and the trade between Chinese and foreign merchants in the meantime. To classify this might be the next task.